




NOTICE OF FUNDING AVAILABILITY (NOFA)
for the U.S. Department of Housing and Urban Development
Community Development Block Grant (CDBG): CFDA - 14.218
HOME Investment Partnership: CFDA – 14.239
Emergency Solutions Grant (ESG) Programs: CFDA – 14.231
January 5, 2015

Submission Deadline:
February 5, 2015, 4:00 p.m.
Development Services - Housing Division
Building C-Public Services North
276 Fourth Avenue, Chula Vista, CA 91910

 It is the intention of the City of Chula Vista to comply with the Americans with Disabilities ACT (ADA). To request this document in alternate formats, or to request special assistance at a City meeting, please contact Jose Dorado at 619) 476-5375 or via e-mail at jdorado@chulavistaca.gov or Angelica Davis at 619-691-5036 or via e-mail at adavis@chulavistaca.gov.

Notice of Funding Availability
City of Chula Vista
Community Development Block Grant Program (CDBG)
HOME Investment Partnership Act (HOME)
Emergency Solutions Grant (ESG)

The City of Chula Vista Housing Division is providing U.S. Department of Housing and Urban Development (HUD), Community Development Block Grant (CDBG), HOME Investment Partnership Act, and Emergency Solutions Grant (ESG) grant funding to promote public service and production of affordable housing activities that benefit low-and moderate income persons living in Chula Vista. There are currently three types of Applications available; Community Development Block Grant, Emergency Solutions Grant and Affordable Housing Programs).

- **Community Development Block Grant (CDBG):** The City is anticipating approximately \$1.7million in CDBG funds. These funds are allocated to three funding categories:
 - Planning and Administration: Twenty Percent of the CDBG grant (20%) is automatically set aside for Planning and Administration functions (approximately \$340,000). These funds are utilized to cover costs associated with the administration of the grant program.
 - Public Services: The statutory maximum allowable for public service activities is Fifteen Percent (15%) of the grant (approximately \$240,000). These funds are for projects/programs serving low and moderate income persons. Additionally, the 2015-2020 Consolidated Plan identifies goals and objectives which will have funding priority. These include:
 - Services which provide basic/essential, emergency items (i.e. food, shelter)
 - Services for Homeless
 - Services for At-Risk Youth
 - Services for the Elderly
 - Services for Special Needs
 - Crime Prevention Services
- Capital Improvement Projects and Community Development: The third category includes capital improvement projects and community development activities which include public facility improvements and housing-related activities. Annually, the City makes a debt service payment of approximately \$750,000 for a Section 108 Loan. The loan proceeds were used to complete a \$9.5 capital improvement project in the Castlepark Area. The remaining amount of CDBG funds after the annual debt services obligation is \$370,000.00. Funding priority will be given to the following projects/programs:
 - Rental Assistance Programs
 - Owner-occupied Rehabilitation Programs
 - Public Facility Improvements (including ADA accessibility)
- **Emergency Solutions Grant Application:** Up to \$119,000 is available for Emergency Solutions Grant projects for Emergency Shelters or Shelter Outreach. A maximum of sixty percent (60%) of the grant can be used for street outreach and emergency shelter activities. Please contact Angelica Davis at adavis@chulavistaca.gov for a copy of the ESG Application.

- **Affordable Housing Programs (CDBG and HOME Investment Partnership Act):** Up to \$500,000 in HOME funds and a portion of Community Development Block Grant funds are available for the Production of Affordable Housing. Examples of activities that can be funded are the following:

1. Acquisition
2. Acquisition and Rehabilitation
3. Rehabilitation of single family homes and mobilehomes
4. Rental assistance programs
5. Construction of new affordable units

Please contact Jose Dorado at jdorado@chulavistaca.gov or via phone at 619-476-5375 to discuss your proposed project and to review a copy of the Affordable Housing Application.

All Proposals are due no later than **4:00 P.M. February 5, 2015** at the front reception desk in the Housing Office at 276 Fourth Avenue, Building C, Chula Vista, CA 91910. If a proposal is mailed, please note that the application must be received by the deadline. The City is not responsible for lost proposals submitted by mail or any other mail delivery service. **Late proposals will not be considered and Postmark date is not acceptable. Any application not logged in by the deadline will not be considered.**

Potential applicants are encouraged to attend an application technical workshop on **January 15, 2015** at the Housing Office located at 276 Fourth Avenue, Building C, Chula Vista, CA 91910. Application technical workshop will be held at the following time **January 15, 2015**: 9:00 a.m. to 10:00 a.m. for CDBG Program Applications and 10:00 a.m. to 10:30 a.m. for ESG.

Questions and requests for clarification related to definition of interpretation or this Notice of Funding Availability may be presented at this conference or shall otherwise be requested in writing. Questions must be submitted in writing **no later than close of business January 22, 2015**, and be submitted by email (preferred), or by mail, to the following address and/or email. Questions and Answers will be posted on the City of Chula Vista website and emailed to interested parties by **January 27, 2015**:

Jose Dorado, Housing Project Coordinator
276 Fourth Avenue
Chula Vista, CA 91910
Email: jdorado@chulavistaca.gov
Phone: 619-476-5375

Angelica Davis, Housing Project Coordinator
276 Fourth Avenue
Chula Vista, CA 91910
Email: adavis@chulavista
Phone: 619-691-5036

Application Review and Decision Process

The application review process has three phases. In the first phase, all applications are reviewed by Housing Division staff for their eligibility under federal program guidelines. Eligible programs and projects are then reviewed according to their contribution to the goals and objectives of the City's approved Consolidated Plan. Preference will be given if an application/program has the ability to help the City meet federal program objectives and local priorities. Organizational capacity, experience, and past performance are also considered.

Based on this review, Housing Division staff prepares general funding recommendations that are forwarded to the review committee. The review committee considers all eligible applications and prepares funding recommendations for the City Council.

The City Council holds a public hearing on the review committee's recommendations to determine the final CDBG, HOME, and ESG and funding allocations. The action of the City Council adopts the Annual Action Plan, which acts as the CDBG, HOME, and ESG program annual budget. Upon completion of this process, the City forwards the adopted Annual Action Plan to the U.S. Department of Housing and Urban Development for approval.

Projects considered at the City Council public hearings are limited to those submitted according to the guidelines and timetables outlined in this package. Applicants are encouraged to attend and participate at these public meetings.

ACCESSIBILITY FOR PERSONS WITH PHYSICAL DISABILITIES

Federal regulations require that all facilities and/or services assisted with CDBG, HOME, and ESG funds be accessible to the disabled, whenever feasible. Accessibility includes such things as: entrance ramps, parking with universal logo signage, grab bars around commodes and showers, top of toilet seats that meet required height from the floor, drain lines under lavatory sink either wrapped or insulated, space for wheelchair maneuverability, accessible water fountains, access between floors (elevators, ramps, lifts), and other improvements needed to assure full access to funded facilities/programs, including serving the blind and deaf.

FY 2015-2016 Application Timeline

January 15, 2015 9:00 – 10:00 am for CDBG 10:00-10:30 am for ESG	CDBG Programs Technical Workshop/ESG Workshop City of Chula Vista Housing Division 276 Fourth Avenue, Building C (Public Services North)
January 22, 2015	Question and Answers Due- To be posted by January 27, 2015
February 5, 2015 No later than 4:00 pm	Application Deadline City of Chula Vista Housing Division 276 Fourth Avenue, Building C
February 2015	Application Review Period City staff reviews applications to verify threshold eligibility
March 5, 2015	Public Meeting City of Chula Vista; 276 Fourth Avenue; Housing Office
March 10, 2014 or March 17 at 6:00 pm	City Council Public Hearing * City of Chula Vista; 276 Fourth Avenue; Council Chambers
March 20 - April 20, 2015	30-Day Public Review Period Draft 2014/2015 CDBG/ESG Annual Action is made available to the public for public review and comments
May 5, 2015	City Council Public Hearing* Final Action Plan is approved by Council City of Chula Vista Housing Office 276 Fourth Avenue, City Council Chambers
May 14, 2015	Final Action Plan submission to HUD
July 1, 2015	Implementation of 2015/2016 Annual Action Plan

* Public hearing dates are tentative. Notices of all public hearings will be placed in the local newspapers of general circulation. Applicants will be notified by email if there are changes to the dates listed above. Please watch for these notices to confirm dates and times of public hearings.

Income Limits

The purpose of the CDBG, ESG, and HOME programs is to provide housing, community development, and economic development opportunities for low and moderate income individuals or households. The U.S. Department of Housing and Urban Development establishes these income limits annually based upon the Area Median Income (AMI). You may access the updated income limits by accessing:

http://www.huduser.org/portal/pdrdatas_landing.html

General Subrecipient Requirements

Once an award is made, the City of Chula Vista requires the following from each subrecipient:

1. **Operating Agreement/Contract:** Nonprofit agencies and organizations approved for funding will be required to sign an agreement with the City in order to ensure compliance with the appropriate program regulations. Funds may not be obligated until an environmental review record has been prepared by City staff and the agreement is accepted and signed by all parties. Funding is disbursed on a reimbursement basis.
2. **Leverage/Match Funds:** Applicants must demonstrate that CDBG, ESG, and/or HOME funds will be leveraged or matched with resources from other federal, state, local, or private sources as required by each program. ESG projects require a 100% Match. Match or leverage may be cash or grant, but must be available during the project period. For the HOME program, 25% (non-federal) matching funds must be available at the time of application and must be spent prior to reimbursement from HOME. CDBG program applicants that demonstrate a matching source will be considered by the review committee when scoring the proposals.
3. **Readiness:** Projects must display evidence of readiness to proceed. Other funding must be in place and all requirements met prior to submission of application. CDBG, ESG, and HOME funds must be spent within the specified amount of time as determined for each project. CDBG Public Services projects must be implemented by July 1, 2015 and must start providing services effective July 1, 2015.
4. **Indemnification:** Nonprofit agencies and organizations approved for funding must agree to defend, indemnify, and hold harmless the City, its officers, agents, and employees from and against all liability, claims, demand, losses, and expenses, including attorney's fees, original and on appeal, arising out of, or related in any way to the performance of the agreement.
5. **Insurance:** Nonprofit agencies and organizations approved for funding will be required to obtain insurance coverage if applicable, each of which shall contain a provision which forbids any cancellation, changes or material alterations without prior notice to the City at least 30 days in advance. The insurance coverage shall be evidenced by an original certificate of insurance provided to the City prior to the execution of the agreement.

“Attachment C” further describes the City’s Insurance Requirements (subject to approval by the City of Chula Vista Risk Management).

6. **Program Monitoring:** Applicants approved for funding will be required to maintain and submit adequate information necessary to monitor program accountability and progress in accordance with the terms and conditions of the agreement.
7. **Notification:** All applicants will be notified early March 2015 of recommended funding recommendations and in May 2015 of final Council recommendations. Receipt of an award letter does guarantee funding. Please be aware that past funding does not guarantee future funding or funding at the same level.
8. **CDBG/ESG Agreement:** Each applicant if awarded CDBG/HOME/ESG funding will be required to comply with the terms of a City Contract, including insurance requirements. City reimburses Subrecipient for the costs it incurs for work performed during the term of the approved Subrecipient agreement. No claims shall be reimbursed without submitting supporting documentation and in the City approved format. If you would like to request a copy of the boiler plate agreement used for 2014-2015 please call Angelica Davis at (619) 691-5036. The final agreements for 2015-2016 will be available in June 2015.
9. **Compliance with Applicable Laws, Rules, and Regulations:** Applicants that are awarded CDBG, ESG, and/or HOME funding must act in accordance with all relative federal, State of California, and City of Chula Vista laws, rules, and regulations. These include but are not limited to the following:
 - **24 CFR Part 570, as amended** – The regulations governing the CDBG program.
 - **24 CFR Part 1 and 6, Public Law 90-284, Fair Housing Act** – The regulations issued following Title VI of the 1964 Civil Rights Act and Section 109 of the 1975 Housing and Community Development Act that prohibits discrimination in HUD programs based on sex, race, color, national origin, and religion and requires all programs and activities to be administered in a manner to affirmatively further the policies of the Fair Housing Act.
 - **24 CFR Part 107 and 108** – The regulations issued following Executive Order 11063 and Executive Order 12892 which prohibit discrimination and promote equal opportunity in housing.
 - **Section 504 of the Rehabilitation Act of 1973, 24 CFR Part 40 and 41** – The regulations that set forth policies and procedures for the enforcement of standards and requirements for disabled accessibility. The Architectural Barriers Act of 1968 and the Americans with Disabilities Act provide additional laws on accessibility and civil rights to individual with disabilities.
 - **Age Discrimination Act of 1975 (42 U.S.C. 6101)** – The regulations that prohibit discrimination on the basis of age.
 - **29 CFR Parts 3 and 5** – The regulations on labor standard provisions that include the payment of prevailing wages on federally assisted projects as mandated by the Davis-Bacon Act and Contract Work Hours and Safety Standards Act. 24 CFR Part 70 provides information on the use of volunteers.
 - **Copeland “Anti-Kickback” Act (18 U.S.C. 874 and 40 U.S.C. 276c)** – The regulations on contracts for construction or repair awarded by subrecipients shall include a provision for compliance.
 - **24 CFR Part 58** – The regulations prescribing the Environmental Review procedure under the National Environmental Policy Act of 1969.
 - **National Flood Insurance Act of 1968, 24 CFR Part 55 under Executive Order 11988** – The regulations for proposed projects and properties located in a floodplain.

- **36 CFR Part 800** – The regulations outlining the procedures for the protection of historic and cultural properties.
- **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970** – the policies for displacement, relocation assistance, and real property acquisition as defined by 42 U.S.C. 4601 (URA) and implementing regulations issued by the Department of Transportation at 49 CFR part 24 and section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(d)).
- **24 CFR Part 7 and 41 CFR Part 60** – The regulations outlining equal employment opportunity without regard to race, sex, color, religion, age, national origin, and disability in federally assisted construction contracts.
- **24 CFR 135** – Regulations outlining requirements of Section 3 of the Housing and Urban Development Act of 1968 providing for economic opportunities for low and very low local residents. All projects must, to the greatest extent feasible, provide opportunities for training and employment for low and moderate income persons residing within the City of Chula Vista, and contracts or work in connection with the project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the City of Chula Vista.
- **Residential Lead Based Paint Hazard Reduction Act of 1992** – The regulations implemented by 24 CFR Part 35, Subpart B imposes certain requirements on disclosure of lead based paint hazards.
- **24 CFR Part 24** – The regulations that prohibit use of debarred or suspended contractors on federally assisted projects and Drug Free Workplace requirements, issued according to Executive Order 12459.
- **24 CFR Part 84 and OMB Circular A-110** – Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Nonprofit Organizations. These regulations include Conflict of Interest provisions under 24 CFR 84.42 and 570 as it applies to procurement.
- **OMB Circular A-122** – The regulations that identify cost principals for nonprofits.
- **OMB Circular A-133** – The regulations concerning annual audits.
- **24 CFR Part 49** – The regulations on eligibility restrictions for certain resident aliens.
- **24 CFR Part 87 and Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)** – The regulations for restrictions on lobbying and required certifications.
- **Executive Order 13170** – The regulations on increasing opportunities and access for Disadvantaged Businesses.
- **HUD Requirements** – All other applicable required reports, circulars, and procedures.
- **Administrative Procedures** – The rules issued by the City of Chula Vista in relation to contracts, process, and procedures.
- **Clean Air Act (42 U.S.C. 7401) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.)** – The regulations that require compliance with all applicable standards, orders, or regulations issued following the rule.

The following resources are available on HUD's website for your use:

- "CDBG: Playing by the Rules: A Handbook for CDBG Subrecipients": <http://www.hud.gov/offices/cpd/communitydevelopment/library/subrecipient/>
- ESG Regulations: Interim Rule: http://www.hudhre.info/documents/HEARTH_ESGInterimRule&ConPlanConformingAmendments.pdf
- "Monitoring Checklists": <http://www.hud.gov/offices/cpd/library/monitoring/handbook.cfm>
- The Code of Federal Regulations (CFR) and Executive Orders may be found at:

CFR: www.gpoaccess.gov/cfr/index.html

Executive Orders: <http://www.archives.gov/federal-register/index.html>

- Community Development Block Grant information-Entitlement can be found at: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/>
- Emergency Solutions Grant: <http://www.hudhre.info/index.cfm?do=viewEsgProgram>
- Limited English Proficiency Requirements: <http://www.hud.gov/offices/fheo/promotingfh/lep-faq.cfm>

Evaluation Criteria for Public Service Program and Emergency Solutions Grant Applications

Consolidated Plan & Priority Needs

Proposal must meet at least one of these Consolidated Plan priorities:

- ESG: Provides homeless prevention, essential services, operations cost to operate an Emergency Shelter Activities.
- CDBG: Greater consideration is provided to applicants who serve 100% low income persons and who fall in the Tier I and Tier II categories. Please refer to CDBG Section on Pages 19-20 for a description of the priority by Tier System.
- HOME: Production of Affordable Housing opportunities to income-eligible households.

City's 2015-2020 Consolidated Plan outlines the City's priorities

http://www.chulavistaca.gov/City_Services/Development_Services/RedevHousing/PDF/ConPlanActionPlan.pdf

Budget and Resource Layering

- The project demonstrates reasonable and efficient costs for operations and project implementation.
- The project has secured leverage of funds.
- The proposal identifies matching funding sources.
- The agency has obtained matching funds.
- The agency has previously successfully managed a CDBG/ESG funded public service program.
- Agency has experienced a loss of funding
- Agency is using CDBG/ESG for direct program delivery costs
- Agency is able to secure 100% financing for a HOME funded project

Performance Objectives and Outcomes

- The project's performance objectives and outcomes for the targeted population are realistic, time bound, and measurable. There is a reasonable expectation that the project will be completed during the grant period.
- The proposal has a comprehensive system to develop and align the organization's outcomes with the project's outcomes that are consistent with project design and provide a mechanism for the project's success.
- The project demonstrates realistic and measurable outcomes.
- The outcomes are consistent with the goals of the program.
- The program's mission is consistent with the goals and outcomes of the program.
- The program's mission is consistent with the goals and outcomes of the program.
- Funds will be used to fulfill an unmet need.
- Without City funding the program cannot continue or would require substantial reduction in services.

- City funds represent less than 50% of the total project budget.
- If previously funded with CDBG, this program can demonstrate a quantifiable increase in the level of an existing service.

Organizational Capacity and Experience

- The application demonstrates qualified principal staff related to the project and/or service to be implemented.
- The organization has demonstrated the knowledge and experience in managing the type of specific project proposed.
- The organization has demonstrated a comprehensive fundraising plan a committed to leveraging for this project.
- The organization demonstrates that it is ready to begin the project and has gone through the necessary steps to ensure timely completion of the project.
- The agency has the appropriate staff and resources to implement the outreach and marketing program to reach the target population.

Threshold Criteria

Each proposed project is rated on the merits of the application using criteria for need, feasibility, fiscal, and project management capacity. A minimum score of 70 (seventy) out of 100 (one hundred) points is required for a project to be recommended for funding by any review panel. All proposals will be reviewed for completeness and threshold criteria. All proposals must meet the threshold criteria to be forwarded for further review by a panel.

The threshold criteria for NOFA proposals is:

Threshold Criteria

- _____ Serves Low-Moderate Income Chula Vista Residents
- _____ Serves Homeless Population (ESG only and certain CDBG projects)
- _____ Chula Vista Benefit
- _____ Consistent with the 2015-2020 Consolidated Plan
- _____ All submittal requirements have been met
- _____ Capital Improvement Projects are located in low and moderate income census tracts (i.e. CDBG Areas).

Once proposals have been screened for threshold criteria and have been forwarded for competitive review, a NOFA Review Panel will be convened. The next page contains scoring criteria that will be used for the NOFA process. Funding recommendations will then be made to the Chula Vista City Council for consideration.

Community Development Block Grant (CDBG) Program

Introduction

The Housing and Community Development Act of 1974, as amended, has as its primary objective the development of viable urban communities through the provision of decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income. Grant recipients must certify that their use of funds will address one of three broad objectives – benefit low and moderate income families, aid in the elimination of blight, or meet urgent needs which pose a serious threat to the health or welfare of a community.

City of Chula Vista's CDBG Program

The CDBG Program generally provides for a wide range of activities. Within that framework, the City of Chula Vista has prepared a set of guidelines to assist in meeting Federal and local objectives. These include:

1. Funding programs and projects that are difficult to fund through other sources.
2. Working only with incorporated public, nonprofit, and for-profit entities.

Priority Considerations

1. Projects that directly contribute to the goals and objectives of the Consolidated Plan and help the City meet federal program requirements. These are listed in Schedule A.
2. Projects that directly contribute to ongoing community and housing improvement efforts.
3. Projects and services which are not currently offered through the City of Chula Vista or any other subcontractor. An example of this would be a program such as the First-time Homebuyer program or Rehabilitation Assistance which is currently offered through the City or a Fair Housing Program which is offered through a subcontractor.

Public Services Category: The City receives several requests for public services each fiscal year that exceed the amount available to fund projects. Based on the 15 percent cap of the annual grant, the City may allocate up to an estimated \$239,000 for public service programs contingent upon funding levels from HUD. Staff established additional rating criteria (in response to the current economic state), with priority given to Tier I and Tier II projects for fiscal year 2014-2015. The three-tier approach, classifies each of the activities into one of the following three categories:

- Tier I: Basic/Essential Needs (Food, Housing, Emergency Services)
- Tier II: Special Needs (At-Risk Youth, Family Violence, Special Needs/Disabled)
- Tier III: Other (Transportation Services, Case Management, Preventative Health Care Services, Recreation (non disabled, non emergency services))

Limited Clientele: CDBG Public Services projects require beneficiary data to ensure that 51% of the clients served are low and moderate income (earn less than 80% of the Area Median Income). A sample form is

provided in Attachment “A.” Please include these income limits in your written policies and procedures noting that each year HUD updates these figures.

Capital Improvement Projects and Public Facility Improvements Activities will not receive funding priority. Economic Development activity applications will **not** be accepted under this NOFA.

Eligible Applicants

1. Applicants must be incorporated for-profit, nonprofit, or public organizations or businesses able to undertake the approved activity(ies) within the boundaries of the City of Chula Vista.
2. Applicants must demonstrate the financial management and programmatic expertise to successfully develop, design, implement, and monitor the proposed activity(ies). This expertise can be demonstrated through previous experience in successfully developing projects similar to the one proposed, either by partners or key staff within the business or organization.
3. Applicants must be able to meet all federal, State of California, and City of Chula Vista requirements relative to the CDBG program, specifically those concerning equal opportunity and fair housing, affirmative marketing, environmental review, displacement, relocation, acquisition, labor, lead-based paint, conflict of interest, debarment and suspension, and flood insurance. Pertinent requirements are noted in *General Subrecipient Requirements*. All applicants should be aware that if funded, additional requirements will apply.

Eligible Activities (See Priority Considerations Section above)

Under current regulations, projects assisted with CDBG funds may include only the following activities:

1. **Acquisition** of real property for a public purpose.
2. **Disposition** of real property acquired with CDBG funds.
3. Acquisition, construction, reconstruction, rehabilitation, or installation of **public facilities and improvements** including senior citizen centers, parks, playgrounds, centers for the disabled, neighborhood facilities, solid waste disposal facilities, fire protection facilities and equipment, parking facilities, public utilities, street improvements, water and sewer facilities, foundations and platforms, pedestrian walks and walkways, and flood and drainage facilities. Buildings for the general conduct of business are excluded.
4. **Clearance, demolition, and removal** of buildings and improvements.
5. **Public services** directed toward improving the community’s public facilities and services concerned with employment, crime prevention, child care, health, drug abuse, education, welfare, or recreation. *No more than 15% of the City’s total grant allocation may be used for public service activities.*

6. **Interim assistance** to alleviate harmful conditions in deteriorating areas where permanent improvements will be carried out at a later date.
7. **Relocation payments** and assistance for persons displaced by community development program activities.
8. **Removal architectural barriers** to enhance the mobility and accessibility for elderly and disabled persons to publicly or privately owned buildings.
9. **Equipment** under limited circumstances needed to either administer a CDBG-funded activity or to deliver a CDBG-funded service. (For example, a van used by a public service agency) Requests for funding of equipment will require additional documentation to confirm CDBG program eligibility.
10. Acquisition, construction, reconstruction, rehabilitation, or installation of distribution facilities of **privately owned utilities** where necessary and appropriate to implement revitalization or housing.
11. **Rehabilitation and preservation** of privately owned buildings, including low income housing, publicly owned residential and non-residential buildings (except buildings for the general conduct of business), code enforcement, and historic preservation.
12. **Special economic development activities** if necessary and appropriate to implement strategies for neighborhood revitalization, community economic development, or energy conservation carried out by neighborhood based nonprofit organizations, local development corporations, or small business investment companies.

Note: Planning and Administration, and Economic Development activities applications will not be accepted under this NOFA.

Ineligible CDBG Activities

1. Funds spent on buildings used for the general conduct of government, except to remove architectural barriers.
2. General government expenses.
3. Political activities.
4. Purchase of equipment (e.g. vehicles, machines, furniture) is generally ineligible. Equipment necessary to carry out CDBG-assisted activities/services may be eligible under limited circumstances.
5. Furnishings and personal property are generally ineligible.
6. Impact fees associated with construction activities.
7. Maintenance and operating expenses without providing a service is ineligible.
8. Income payments, such as housing allowances, down payments, and mortgage subsidies.

Schedule A
CDBG Program Funds

Federal Guidelines

Each activity must be eligible and must address one or more of the three Broad National Objectives:

- a. Benefit persons of low/moderate income. For an area benefit activity, the project must have a direct impact on census tracts with not less than 51% concentrations of low and moderate income residents.
- b. Aid in the prevention or elimination of blight.
- c. Meet other community development needs of particular urgency (usually the result of a natural disaster).

More detailed information on Eligible Activities and National Objectives can be found in the *Guide to National Objectives and Eligible Activities for Entitlement Communities* handbook. This document can be found on the U.S. Department of Housing and Urban Development web site at: <http://hud.gov/offices/cpd/communitydevelopment/library/deskguid.cfm>.

EMERGENCY SOLUTIONS GRANT (ESG) Program

Introduction

The ESG Program was created under Title II of the National Affordable Housing Act of 1990. The general purposes of ESG are to assist homeless persons or those who are at risk of becoming homeless.

Funding applications through the City of Chula Vista's ESG program will be assessed for goals identified in the City's approved Consolidated Plan and Housing Strategy and Implementation Plan. In 2012, HUD released the final version of the new Emergency Solutions Grant regulations. We will be accepting applications for Emergency Shelter/Outreach Services and Rapid ReHousing and HMIS Services.

City of Chula Vista's ESG Program

The ESG program generally provides for a wide range of activities. Within that framework, the City of Chula Vista established a set of guidelines to assist it in meeting Federal and local objectives. These include:

1. Working only with nonprofit entities.
2. Requiring applicants to assist in satisfying the City's 100 percent match obligation. Matching contributions must be a permanent contribution to affordable housing and from non-Federal sources. Qualifying project match includes, but is not limited to, cash, value of donated land and real property, and value of donated materials and labor. Proposed match sources must be approved and consistent with program regulations.

Priority Considerations

Projects that directly contribute to the ongoing community and housing improvement efforts that serve Chula Vista homeless, and are a member of the San Diego County Regional Continuum of Care, and address the Plan to End Chronic Homelessness will receive greater consideration. Due to the limited amount of ESG funds available (approximately \$110,811), priority will be given to proposals that are consistent with the City of Chula Vista 2010-2015 Consolidated Plan.

Eligible Applicants

1. Applicants must be nonprofit, or public organizations or business(es) that are able to undertake the approved activity(ies) within the boundaries of the City of Chula Vista.
2. Applicants must demonstrate the financial management and programmatic expertise to successfully develop, design, implement, and monitor the proposed activity(ies). This expertise can be demonstrated through previous experience in successfully developing projects similar to the one proposed, either by partners or key staff within the business or organization.

3. Applicants must be able to meet all federal, State of California, and City of Chula Vista requirements relative to the ESG program, specifically those concerning equal opportunity and fair housing, affirmative marketing, environmental review, displacement, relocation, acquisition, labor, lead-based paint, conflict of interest, debarment and suspension, and flood insurance. Pertinent federal requirements are noted in *General Subrecipient Requirements*. All applicants should be aware that if funded, additional requirements will apply.
4. Applicants must serve eligible homeless person who meet HUD's definition of homelessness.

Eligible Activities

There are four activities that are allowed under the ESG program.

1. Street Outreach
2. Emergency Shelter
3. Homeless Prevention
4. Rapid Re-Housing Assistance

City of Chula Vista will be accepting applications for Emergency Shelter and Street Outreach activities. Applications will also be accepted for Rapid Re-Housing during this application process. Since ESG requires a dollar for dollar match, Subrecipients are expected to cover these activities through their match requirement.

Estimated Entitlement	\$119,795
Administration (7.5% of grant)	\$8,984
Available for Projects/Programs	\$110,811
HMIS Services (5%)	\$5,540
Emergency Shelter or Outreach	\$63,777
Rapid Re-Housing	\$41,494

Eligible Costs

As of December 5, 2011, the Department of Housing and Urban Development issued an interim in regards to Emergency Solutions Grant funding. Please refer to Federal Register Notice Vol. 76, No. 233.

http://www.hudhre.info/documents/HEARTH_ESGInterimRule&ConPlanConformingAmendments.pdf

<http://www.hudhre.info/index.cfm?do=viewResource&ResourceID=4517>

<http://www.hudhre.info/documents/EmergencySolutionsGrantsProgramFactSheet.pdf>

HOME INVESTMENT PARTNERSHIP ACT (HOME) Program

Proposals for affordable housing or housing-related projects are **only** accepted through Affordable Housing Notices of Funding Availability or Request for Proposals, which are made available from time to time. To discuss a potential affordable housing project/program utilizing Home Investment Partnerships Act, please contact José Dorado at (619) 476-5375 or via email at jdorado@chulavistaca.gov.

CDBG,ESG & HOME NOFA

Frequently Asked Questions

1. *Will we be held to the budget, timeline, and goals in the application?*
Yes. All will be part of your contract with the City.
2. *What if something happens and we need to change our budget, timeline, or goals?*
An amendment to the project contract can be executed if there are legitimate reasons for doing so. However, you should not count on this, particularly if your agency wants an amendment because it did not begin the project on time or has changed its mind about the project scope or budget.
3. *Will we get the full amount of funding requested?*
Projects may receive full or partial funding depending on the nature of the project, amount requested, funds available, and NOFA evaluation criteria results. If your project is not viable without full funding, make sure to indicate this fact on your application.
4. *Are matching funds required?*
If applying for CDBG funds, the applicant must demonstrate that a CDBG funds are leveraged with other funding sources. If applying for HOME funds, the applicant must participate in assisting the City meet the HOME Program's 25% match obligation. If applying for ESG, a \$1 for \$1 match is required (100%).
5. *When will we know whether we will be funded? When can we spend the money?*
The City anticipates making preliminary award notification in May 2014, with funds available for commitment and expenditure on or about July 1, 2014. Receipt of an award letter is not a final guarantee of funding. The Subrecipient must enter into an Agreement prior to spending any grant funding.
6. *Can we spend our money now and be reimbursed by CDBG/HOME funds later?*
No. If you commit or expend funds before receiving notice to proceed (a signed agreement), you will not be eligible for reimbursement at any time.
7. *Will we hear from you even if our application does not receive funding?*
Yes. All agencies will be notified in writing whether their application will be fully or partially funded or not funded at all.
8. *Is it acceptable to submit the original application late as long as it is faxed or postmarked by the submission deadline?*
No. The appropriate office must receive the complete application package (one original and signed application and copies no later than the submission deadline. Applications that are faxed or postmarked by the deadline and the original received later will be returned to the applicant. Please plan accordingly, especially if you intend to hand deliver your application.
9. *Are housing counseling activities considered a housing activity or a public service activity?*
A public service activity.

General Application Instructions

For funding consideration, all proposed programs and/or projects must meet the program submittal requirements identified starting on page 3. Each CDBG, HOME, and ESG has a project description along with funding priorities. Agencies and organizations responding to this Notice of Funding Availability (NOFA) must complete one of the attached two applications:

- Application for CDBG Public Service Programs, or
- Application for Emergency Solutions Grant, or
- Affordable Housing Application using CDBG and/or HOME funds

Only **one** original application is required to be submitted by the submission deadline to the address noted on page 1 of this NOFA, *Submission Deadline*. **New this year, the City is requiring an electronic copy of the entire Application and Appendices** to be email to adavis@chulavistaca.gov. Certifications and Other Required Documents are not necessary.

The application must be **typed** (not handwritten). Clip or rubber band all documents (no binding). The original shall have signatures in **blue ink**.

Incomplete applications or applications submitted after the published deadline will not be considered. Once submitted, proposals may not be amended, unless the amendment has been requested by the City. The City, at its sole and absolute discretion, with or without cause, and without liability to any applicant, reserves the right to accept or reject any and/or all proposals either in whole or in part, waive any informalities or irregularities of any proposals, cancel this NOFA at any time, and/or take any action in the best interest of the City. The City's decision in all matters shall be final. The City reserves the right to contact an applicant if additional information is required.

Applicants requiring additional application forms or information regarding the regulations governing the ESG, HOME, and/or CDBG programs should contact Jose Dorado, Project Coordinator, at (619) 476-5375 or by email at jdorado@ci.chula-vista.ca.us or Angelica Davis at (619) 691-5036 or by email at adavis@ci.chula-vista.ca.us.

Please note: Questions must be submitted in writing or via email.

INSURANCE REQUIREMENTS

Contractor/Developer/Subrecipient must procure insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work under the contract and the results of that work by the Developer/Contractor/Subrecipient, his agents, representatives, employees or subcontractors and provide documentation of same prior to commencement of work. The insurance must be maintained for the duration of the contract.

Minimum Scope of Insurance

Coverage must be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG0001)
2. Insurance Services Office Form Number CA 0001 covering Automobile Liability, code1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

Minimum Limits of Insurance

Developer/Contractor/Subrecipient/ must maintain limits no less than:

- | | |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. General Liability: (Including operations, products and completed operations, as applicable.) | \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit. |
| 2. Automobile Liability: | \$1,000,000 per accident for bodily injury and property damage. |
| 3. Workers' Compensation Employer's Liability: | Statutory
\$1,000,000 each accident
\$1,000,000 disease-policy limit
\$1,000,000 disease-each employee |

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either the insurer will reduce or eliminate such deductibles or self-insured retentions as they pertain to the City, its officers, officials, employees and volunteers; or the Developer/Contractor/Subrecipient will provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

Other Insurance Provisions

The general liability, automobile liability, and where appropriate, the worker's compensation policies are to contain, or be endorsed to contain, the following provisions:

1. ***The City of Chula Vista, its officers, officials, employees, agents, and volunteers are to be named as additional insureds with respect to liability arising out of automobiles*** owned, leased, hired or borrowed by or on behalf of the Developer/Contractor/Subrecipient, where applicable, and, with respect to liability arising out of work or operations performed by or on behalf of the Developer/Contractor/Subrecipient including providing materials, parts or equipment furnished in connection with such work or operations. ***The general liability additional insured coverage must be provided in the form of an endorsement to the***

Developer's/contractor's insurance using ISO CG 2010 (11/85) or its equivalent. Specifically, the endorsement must not exclude Products / Completed Operations coverage.

2. The Developer's/***contractor's insurance coverage must be primary insurance as it pertains to the City***, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers is wholly separate from the insurance of the Developer/Contractor/Subrecipient and in no way relieves the Developer/Contractor/Subrecipient from its responsibility to provide insurance.
3. Each insurance policy required by this clause must be endorsed to state that ***coverage will not be canceled by either party, except after thirty (30) days' prior written notice to the City*** by certified mail, return receipt requested.
4. ***Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured*** in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.
5. Developers/Contractor's insurer will provide a ***Waiver of Subrogation*** in favor of the City for each required policy providing coverage during the life of this contract.

Acceptability of Insurers

Insurance is to be placed with licensed insurers admitted to transact business in the State of California with a current A.M. Best's rating of no less than A V. If insurance is placed with a surplus lines insurer, insurer must be listed on the State of California List of Eligible Surplus Lines Insurers (LESLI) with a current A.M. Best's rating of no less than A X. Exception may be made for the State Compensation Fund when not specifically rated.

Verification of Coverage

Developer/Contractor/Subrecipient shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on insurance industry forms, provided those endorsements conform to the contract requirements.

All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require, at any time, complete, certified copies of all required insurance policies, including endorsements evidencing the coverage required by these specifications.

Subcontractors

Developer/Contractor/Subrecipient must include all subcontractors as insureds under its policies or furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors are subject to all of the requirements included in these specifications.